

Report of a Committee appointed by the Committee of Trade of Montreal, to consider of and enquire into such matters as might be thought advisable to be recommended to the notice of the Government of Lower Canada.

Committee think the following subjects worthy of the attention of the Executive :—

—A General Bankrupt Law for the Province.

2d.—An Act consolidating the Provincial Customs Duties, a Revision of the Tariff, the carrying out of the Warehousing System, and the erection of Montreal into a Free Port.

3d.—Remission of the Postage upon Newspapers, Printed Papers, and Pamphlets.

4th.—The establishment of a Steam Packet communication between Great Britain and the North American Colonies.

5th.—Inspection Laws for Ashes, Beef and Pork, Flour, Fish and Leather.

6th.—The incorporation of Chambers of Commerce in Quebec and Montreal.

7th.—Construction of a Canal at St. Ann's Rapids, to render the Navigation of the Ottawa River and Rideau Canal available to the public at large.

8th.—The regulation of the Currency on a correct basis.

9th.—The general improvement of the Navigation of the St. Lawrence.

10th.—General Internal Improvements.

On reference to the first named subject, understanding that a Bankrupt Law engages the attention of the Government, it was determined by your Committee not to enter into details, unless it should be thought desirable; confining themselves to the general recommendation, that it should be so framed, that while it protected the Creditor in his rights, and punished the fraudulent Debtor, it should enable the honest man, who might be unfortunate, after a fair division of his property, to recover his position in the mercantile body; taking also due care that such Trustees or Assignees as might be appointed, should duly account for receipts, and be under the control either of Officers duly appointed, or of some Court for that purpose.

2dly.—Upon the subject of the consolidation of the Duties, your Committee framed a number of Questions, which they put to Wm. Hall, Esquire, the Collector, and R. H. Hamilton, Esquire, the Comptroller, of Her Majesty's Customs; and from their answers, together with their own deliberate opinion, your Committee advise as follows :—

That the Duties collected under

53d Geo. III. cap. 11; the 33d Geo. III. cap. 8

Amended by 35th " III. " 9

55th Geo. III. cap. 2; the 55th " III. " 3

41st " III. " 14

providing for the payment of the duties on Wines and other liquors, be consolidated into one Act, and a credit be given of six months on all duties amounting to £50 and upwards—all duties incurred between the 1st November and 1st May next ensuing, to fall due on the 1st May.

That the duties collected on Spirits imported, be reduced to four pence per gallon, provincial duty, but calculated on Sikes's Hydrometer proof; all above to be calculated in proportion; and that it be recommended to the Lords of Her Majesty's Treasury, to reduce the Crown duty on Brandy and Gin to eight pence sterling, and on Rum to four pence sterling, to be calculated in the same manner.

That the provincial duty on all unmanufactured Tobacco be reduced to one penny per lb.; on all manufactured ditto, to two pence.

On all Bohea Teas, to 1d. per lb.

On all other Teas, to 2d. per lb.

On Coffee, to 5s. per cwt.

On Salt, to 1d. per minim.

On Molasses, to 2d. per gallon.

On Muscovado Sugar, to 2s. 6d. per cwt.

It being the opinion of your Committee that such reduction would rather add to than diminish the revenue—&c. the following reasons :—

First—Because large quantities of Tea and Tobacco are smuggled into the Province, to the great injury of the Revenue, the high duty affording a great inducement.

Secondly—Because the consumption of Salt, Molasses and Muscovado Sugar are much diminished, owing to the high price caused by an excessive duty.

Thirdly—Because although the duty nominally is proposed to be reduced upon Spirits, it is in fact not so much reduced as it appears, it being proposed to be levied at proof strength, the overproof to pay duty as Spirit; now the greater part of the Spirit imported is over-proof, and the increased consumption, owing to its coming easier into competition with Canada-made Whiskey, would probably even augment the amount collected.

Your Committee also beg to call your particular attention to the subject of East India Rum being imported free of Crown duty, to the great injury of the West India trade with these Provinces—a trade by far the most valuable, as they take their principal supplies from hence; and likewise to the fact, that although Upper Canada enjoys a proportion of all duties levied in the ports of Montreal and Quebec, that Sugar, Molasses, Coffee, Tobacco, are imported from the United States without paying any Provincial duty whatever, and Salt at a very small, thus not only diverting the trade from its legitimate channel, and giving their business to foreign ports, but importing from a foreign country those goods which, were a uniform system of duties imposed in both Provinces, would be imported by way of the St. Lawrence from British Colonies in British ships. This system of course injures the revenue; and, although the proposed reductions would do much towards ameliorating the present defective system, your Committee would suggest:—

First—That the same duties should be imposed on East India Rum as on West India.

Secondly—That either Upper Canada should levy the same duties as Lower Canada; or, if such could not be obtained, that the total repeal of all duties raised in Lower Canada, but not in Upper Canada, be requested, placing fresh duties on such goods as are not likely to be imported through the United States, to make up the deficiency in the revenue.

Thirdly—That the whole of the system of collecting the Revenue in Upper Canada be revised, it being notorious that great portions of the duties payable there are constantly evaded.

And also, that as there is no duty on salted Pork, nor on live Hogs, that the duty on dead Hogs in carcase be also repealed; and that the duty on salted or dry Hides, or Skins for tanning, be repealed, when imported by sea in British ships.

Your Committee likewise recommend the consent of the Treasury to be petitioned for, to allow the extension of the present Warehousing Act, 3 & 4 Will. IV. cap. 59, to goods exported by inland navigation, bond being given that said goods be duly exported, to be cancelled on a certificate of delivery being produced from some officer of the United States Customs, not nearer than the port of Whitehall.

Your Committee, also considering that the fact of Montreal not being a free port, for the unloading of foreign ships, is sometimes detrimental, also advise that indulgence to be prayed for.

8dly—Your Committee advise the remission of the postages on newspapers and printed pamphlets, or a great reduction thereof, to be prayed for, the present very high rates being prejudicial to trade.

4thly—The establishment of a Steam Packet communication between Great Britain and her North American Colonies, your Committee look upon as a measure of the greatest importance, and which would be highly advantageous to the trade and resources of the Provinces.

5thly—Your Committee consider the drafts submitted to them of laws agreed upon by the Committee of Trade for the inspection of Beef and Pork, and Flour, and also that the law introduced by Mr. Leslie in the last session of the Provincial Parliament for the inspection of Ashes, (with the exception of the clause which provides that Magistrates shall not hold the office of Inspectors,) will meet all the exigencies of the trade.

Your Committee also advise the renewal of the Inspection Law for Fish and Oil, lately expired; and a law for the Inspection of Leather, to be framed on the New York principle.

Having taken into consideration the project of protecting the port of Montreal by extending a Breakwater from Point St. Charles, of 900 yards and upwards,

Your Committee not being certain that the said proposed plan would have the desired effect, advise a renewed survey to be made, to ascertain its efficiency.

6thly—A Charter given by His late Majesty George the Third to the Chamber of Commerce of New York, in 1770, and on which Charter the said Chamber act at the present day, being submitted, it was considered that it is well suited for the Committee of Trade of Montreal, and that a similar one should be prayed for.

7thly—The construction of a Canal at the St. Ann's Rapids, to render the navigation of the Ottawa River and the Rideau Canal available to the public at large, being of such very great importance to the carrying trade of the Province, it being now monopolised on that route altogether by a private Company,

Your Committee advise its being urged upon the serious and immediate attention of the Government.

8thly—Your Committee thinking the subject of the Currency one that required great caution, consulted the Cashiers of the various chartered Banks in Montreal; and after duly weighing several plans brought before them, were of opinion, that in order to secure a steady basis for the rate of Exchange, the following alterations should be recommended:—

First—That the Spanish, Mexican, United States, and other dollars and half dollars, of silver, of equal weight and fineness, to be specified, be, including a Colonial dollar and half dollar to be hereafter coined, made the only legal tender of the Province of Lower Canada after a certain date.

Secondly—That the present French crowns and half crowns, and the various other coins in circulation in Lower Canada, recognised by an Act of the Provincial Parliament, be called in at the expense of the Government.

Thirdly—That until a date to be fixed, Spanish and American quarter, fifth, eighth, sixteenth, tenth and twentieth of dollars pass current, and be a legal tender to the amount of £5 only, and after that date a Colonial currency be coined of shillings, sixpences, fourpences and threepence, which should also be a legal tender to the same amount, to the exclusion of the other small coins; and that copper pence and half-pence also be coined, to be a legal tender to the amount of one shilling. The silver to be one per cent. under the American standard; for the half a dollar; the copper to be of the fineness and weight of the tokens now issued by the Bank.

Fourthly—That as the Spanish dollar at 4s. 2½. sterling, called 5s. currency, makes the proportion of sterling to currency as 5 to 6,

Your Committee would recommend all transactions to be based on that calculation, £5 sterling so be considered £6 currency in all cases where no rate of Exchange is mentioned, and as the basis on which the rate should be fixed—such being the nearest approximation to the true par.

Your Committee, in the foregoing recommendations respecting the legal tender, have disregarded gold, from it never having been used in common in Canada, and also from its being overvalued in the United States; if adopted, it would consequently either have to be arranged on the English basis, or that of the United States—if the former, it would soon leave the country; if the latter, it would affect exchanges, the object of the present scheme of currency to avoid.

Your Committee would also remark, that to arrange a uniform Currency for all the British North American Provinces, is most essential to their general prosperity.

9thly—Your Committee consider the general improvement of the navigation of the River St. Lawrence as a matter of the greatest importance, although quite satisfied with the survey now going on at Lake St. Peter, and express a hope that the measures adopted in consequence may open a deep and available channel for ships of burden to Montreal.

10thly—On General Internal Improvements, your Committee beg your attention to the subject of Winter Roads, observing that their condition is so very bad from cahots, caused by the faulty construction of the vehicles, that there is fully double the expense attending the transmission of goods to and from Montreal, than if the American or Upper Canada mode of building and driving trains and sleighs were adopted.

The Chambly Canal being, after so large an expenditure, still in an unfinished state, the Committee recommend it to your attention, more especially the necessity of a lock at St. Denis, to render the navigation free.

All which is nevertheless humbly submitted.

(Signed)

J. T. BRONDGEEST,

Chairman Sub-Committee.

(Signed)

ADAM FERRIE,
J. LEAYCRAFT, Junr.
J. JAMIESON,

} Sub-Committee.

Approved and Confirmed, 15th October, 1838.

(Signed)

AUSTIN CUVILLIER,

Chairman Committee of Trade.